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Trendzon Holdings Group Limited
卓航控股集團有限公司

(formerly known as Pipeline Engineering Holdings Limited 管道工程控股有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1865)

VOLUNTARY ANNOUNCEMENT
(I) ISSUANCE OF BONDS
AND
(II) THE ENTERING INTO OF
THE COOPERATION FRAMEWORK AGREEMENT

(I) ISSUANCE OF BONDS

On 13 August 2021, the Issuer, a wholly-owned subsidiary of the Company, entered into the Subscription Agreement with the Subscriber, pursuant to which, the Issuer agreed to issue and the Subscriber agreed to subscribe for the Bonds according to the terms of the Subscription Agreement and the Bond Instrument with the principal amount of RMB40,000,000.

(II) THE COOPERATION FRAMEWORK AGREEMENT

The Board is pleased to announce that, on 13 August 2021, the Company entered into the Cooperation Framework Agreement with Goal Rise, pursuant to which, the Company agrees to grant priority to Goal Rise Group to use the logistics facilities and infrastructure in the Trendzon Diandian Science and Technology Innovation City after completion of the construction of the same, and Goal Rise agrees to procure Goal Rise Group to provide logistics services with international standard in the Trendzon Diandian Science and Technology Innovation City.

Pursuant to the Cooperation Framework Agreement, the Company also agrees to give the first right of refusal to Goal Rise Group so that in the event that the Group will invite investors to participate in Trendzon Diandian Science and Technology Innovation City project in future, Goal Rise Group would have priority to invest in the project. The parties shall enter into a formal agreement to govern the amount of investment and the interest to be acquired by Goal Rise Group.

This is a voluntary announcement made by the Company in relation to the issuance of the Bonds by the Issuer and the entering into of the Cooperation Framework Agreement by the Company, in order to provide the Shareholders and potential investors of the Company with the latest business development of the Group.

(I) ISSUANCE OF BONDS

The Board wishes to announce that on 13 August 2021, the Issuer, a wholly-owned subsidiary of the Company, entered into the Subscription Agreement with the Subscriber in relation to the Subscription. The Subscriber is a company established in the PRC with limited liability and is wholly-owned by Goal Rise, the issued shares of which are listed on the Main Board of the Stock Exchange. As at the date of this announcement, to the best of the Directors' knowledge, information and belief having made reasonable enquiries, the Subscriber, Goal Rise and its ultimate beneficial owners are Independent Third Parties.

The principal terms of the Bonds are set out below:

Issuer:	Trendzon (Guangzhou) Construction Investment Company Limited# (卓航(廣州)建設投資有限公司), a wholly-owned subsidiary of the Company
Principal amount:	RMB40,000,000. The Subscriber shall subscribe for the Bonds at par value of the Bonds which is equal to the principal amount of the Bonds of RMB40,000,000 and payable on Completion in cash
Maturity date:	the first anniversary of the issue date of the Bonds
Interest:	the Bonds will bear interest on the principal amount from and including the date of issue at the rate of 4.3% per annum accrued on a daily basis of a 365-day payable on maturity date
Early redemption:	unless any of the event of default as described in the terms and conditions of the Bond Instrument occurs, neither the Issuer nor the Subscriber has the right to request for the redemption of the Bonds at any time prior to the maturity date in whole or in part of the outstanding principal amount of the Bonds
Status:	the Bonds constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank equally with all its other present and future unsecured and unsubordinated obligations
Transferability:	the Bonds are freely transferrable to any transferee (other than to a connected person of the Issuer which will be subject to the Issuer's prior written consent)
Listing:	no application will be made for the listing of the Bonds on the Stock Exchange or any stock or securities exchange

Conditions precedent

Completion of the Subscription is conditional upon fulfilment of the following conditions:

- (i) all necessary consents and approvals to be obtained on the part of the Issuer in respect of the issue of the Bonds having been obtained, and the Issuer is in compliance with all relevant laws and regulations (including but not limited to the laws of Hong Kong and the Listing Rules);
- (ii) all necessary consents and approvals to be obtained on the part of the Subscriber in respect of the issue of the Bonds having been obtained, and the Subscriber is in compliance with all relevant laws and regulations (including but not limited to the laws of Hong Kong and the Listing Rules); and
- (iii) the warranties given by the Issuer remaining true and accurate in all material respects and not misleading in any material respect, and there has not been any event or condition that may result in the Issuer in breach of the warranties or any other terms of the Subscription Agreement in any material respect.

Save for the condition (iii) above which can be waived by the Subscriber, other conditions are incapable of being waived. If the conditions set out above have not been satisfied (or as the case may be, waived) on or before the Long Stop Date, the Subscription Agreement shall cease and determine, and no party shall have any claim against the other in respect of the Subscription Agreement or any events or matters contemplated therein, save for any antecedent breaches of the Subscription Agreement.

Completion

Completion shall take place within three Business Days after the fulfilment or waiver (as the case may be) of all conditions under the Subscription Agreement (or such other date as may be agreed in writing between the parties) but in any event shall be no later than 14 Business Days after the date of the execution of the Subscription Agreement.

REASONS FOR AND BENEFITS OF THE ISSUANCE OF BONDS AND USE OF PROCEEDS

The Company is an investment holding company and the Group is principally engaged in (i) the provision of infrastructural pipeline construction and related engineering services mainly for gas, water, telecommunications and power industries services; and (ii) trading of building materials.

The Board has considered various ways of raising funds to develop its businesses and believes that the issue of bond represents a suitable opportunity to raise capital for the Group. The Board considers that the issue of bond will not result in any dilution effect on the shareholding of the existing Shareholders.

In view of the above, the Directors are of the view that the issue of the Bonds provides a good opportunity to strengthen the Company's financial position and the terms of the Bonds are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Company intends to use the proceeds from the issue of the Bonds mainly for the development and upgrades of the Trendzon Diandian Science and Technology Innovation City and for general working capital of the Group.

(II) THE COOPERATION FRAMEWORK AGREEMENT

Reference is made to the announcement of the Company dated 7 June 2021 in relation to the entering into of the strategic cooperation agreement for the establishment of an integrated industrial operation platform, which will conduct the upgrades of regional industrial structure nationwide and create “industrial IP” parks by life category based on urban characteristics.

The Board is pleased to announce that, on 13 August 2021, the Company entered into the Cooperation Framework Agreement with Goal Rise, pursuant to which, the Company agrees to grant priority to Goal Rise Group to use the logistics facilities and infrastructure in the Trendzon Diandian Science and Technology Innovation City after completion of the construction of the same, and Goal Rise agrees to procure Goal Rise Group to provide logistics services with international standard in the Trendzon Diandian Science and Technology Innovation City. It is intended by the parties that the Possible Cooperation will last for 10 years from the date the Company has handed over the logistics facilities and infrastructure in the Trendzon Diandian Science and Technology Innovation City to Goal Rise Group for use.

It is further agreed that a formal agreement, which will specify, among other things, the scope of cooperation in details, the fees and expenses to be charged by Goal Rise Group and the Group, as well as the rights, obligations and responsibilities of each party, will be entered into before the commencement of the Possible Cooperation. In the event that any formal agreement in relation to the Possible Cooperation would have been entered into, the Company will make the announcement(s) in compliance with the Listing Rules if and when appropriate.

Pursuant to the Cooperation Framework Agreement, the Company also agrees to give the first right of refusal to Goal Rise Group so that in the event that the Group will invite investors to participate in Trendzon Diandian Science and Technology Innovation City project in future, Goal Rise Group would have priority to invest in the project. The parties shall enter into a formal agreement to govern the amount of investment and the interest to be acquired by Goal Rise Group. In the event that any formal agreement in relation to the Trendzon Diandian Science and Technology Innovation City project would have been entered into, the Company will make the announcement(s) in compliance with the Listing Rules if and when appropriate.

REASONS FOR AND BENEFITS OF ENTERING INTO THE COOPERATION FRAMEWORK AGREEMENT

Goal Rise is a company incorporated in the Cayman Islands, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 1529). It is an investment holding company and Goal Rise Group is principally engaged in the provision of transportation, warehousing, in-plant logistics and customization services. To the best of the Board’s knowledge, information and belief, and having made all reasonable enquiries, the Subscriber, Goal Rise and its ultimate beneficial owners are Independent Third Parties.

The Board is of the view that the entering into of the Cooperation Framework Agreement is beneficial to the Company as the Possible Cooperation would enable the Company to leverage on Goal Rise Group's strength, resources and expertise in logistics to facilitate the development of the Trendzon Diandian Science and Technology Innovation City.

The Board wishes to emphasize that the Cooperation Framework Agreement merely provides a framework of cooperation between the Company and Goal Rise. The terms of cooperation contemplated under the Cooperation Framework Agreement are subject to the terms of the formal agreement(s) which the Company and Goal Rise may subsequently enter into from time to time.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“Board”	the board of Directors
“Bond Instrument”	the instrument by way of deed poll to be executed by the Issuer creating and constituting the Bonds
“Bonds”	the 4.3% coupon unsecured unlisted bonds with a term of one year, to be issued by the Issuer in the principal amount of RMB40,000,000 pursuant to the Subscription Agreement
“Business Day”	any day (excluding Saturday, Sunday, public holiday in the PRC) on which banks generally are open for business in the PRC during normal working hours
“Company”	Trendzon Holdings Group Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1865)
“Completion”	completion of the Subscription in accordance with the terms and conditions of the Subscription Agreement
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Cooperation Framework Agreement”	the cooperation agreement dated 13 August 2021 entered into between the Company and Goal Rise in relation to the Possible Cooperation
“Directors”	the director(s) of the Company
“Goal Rise”	Goal Rise Logistics (China) Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 1529)

“Goal Rise Group”	Goal Rise and its subsidiaries from time to time
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons
“Issuer”	Trendzon (Guangzhou) Construction Investment Company Limited# (卓航(廣州)建設投資有限公司), a company established in the PRC with limited liability, a wholly-owned subsidiary of the Company, the issuer of the Bonds
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	a date on falling the fourteenth day from the date of the Subscription Agreement or such other late date as the Issuer and the Subscriber may mutually agree in writing
“Possible Cooperation”	the possible cooperation with Goal Rise pursuant to which Goal Rise Group will provide logistics services with international standard in the Trendzon Diandian Science and Technology Innovation City
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Guangzhou Zhonglian Huanyu Modern Logistics Limited# (廣州中聯環宇現代物流有限公司), a company established in the PRC with limited liability, a wholly-owned subsidiary of Goal Rise, the subscriber of the Bonds
“Subscription”	the subscription of the Bonds pursuant to the Subscription Agreement

“Subscription Agreement”	the subscription agreement dated 13 August 2021 entered into between the Issuer and the Subscriber in relation to the Subscription
“Trendzon Diandian Science and Technology Innovation City”	the establishment of integrated industrial operation platform in certain industrial real estates and/or upgrades of regional industrial structure in the PRC for the creation of industrial parks by Trendzon Holdings under the name 卓航•點點科創城 (transliterated as Trendzon Diandian Science and Technology Innovation City)
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

By Order of the Board
Trendzon Holdings Group Limited
Feng Jiamin and Michael Shi Guan Wah
Joint Chairmen

Hong Kong, 13 August 2021

As at the date of this announcement, the Board comprises Mr. Michael Shi Guan Wah, Ms. Feng Jiamin and Mr. Lok Ka Ho as executive directors; and Mr. Cher Choong Kiak, Mr. Chiam Soon Chian (Zhan Shunquan), Mr. Choo Chih Chien Benjamin, Mr. Tong Wing Chi, Mr. Shek Jun Chong and Mr. Qiu Yue as independent non-executive directors.

In this announcement, translated English names of Chinese entities for which no official English translation exists are unofficial translations for identification purposes only, and in the event of any inconsistency between the Chinese names and their English translation, the Chinese names shall prevail.